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For Children & Public Education

The Political Action Committee of the National Education Association
1201 Sixteenth Street, NW, Washington, DC 20036-3290
202-822-7300

November 26, 2002

Scott Walker
Senior Campaign Finance Analyst
Reports Analysis Division
Federal Election Commission
999 E St NW
Washington DC 20463-0001

VIA FEDERAL EXPRESS

Identification Number: C00003251

Reference: Amended July Monthly Report (6/1/02-6/30/02), received 8/21/02

Dear Mr. Walker:

We apologize for the lateness of our response to your request for additional information. We have been experiencing severe, recurring software problems that have taken all of our concentration and effort until recently.

Following are the responses to your three questions:

1. The person who previously handled the FEC filing and PAC accounting was on maternity leave from early June, leaving a series of temporary employees and other department staff to try to handle her responsibilities at a very hectic time of year for the NEA. In the confusion the \$300,000 in transfers to our affiliated, non-federal account were erroneously posted to the month of July and first reported on the August 20 Report as a result. We realized that not only were the transfers to the non-federal account being reported on the wrong FEC report line and under the incorrect name, "Allfirst Bank," (where both accounts are maintained), but that the transfers in question were posted and reported in the wrong period. Our amendment for this report, as well as all subsequent reports was intended to rectify all of these errors; however, due to confusion over how to use our software we neglected to correct the payee name. We have since configured the software to correctly report these transfers and have instituted a monthly reconciliation process to ensure that this error does not recur.
2. Regarding the Primary Election contributions made after the elections occurred, we have sent requests to all of the applicable candidates requesting full refunds. We will report the refunds as they are received. The only excuse for this happening is that we in accounting assumed that those requesting the contributions were aware of the election dates and knew the rules. We have since instituted a new contribution request form that requires the election date be entered, with an explanation that contributions must be made prior to an election and that any debt retirement contributions must be accompanied with a statement from the candidate committee that such a debt does indeed exist. The most troubling aspect of this is that the candidate committees did not catch the errors either -- and they should know better than anyone when their respective primaries are to be held. Copies of the refund requests are attached.

3. As mentioned earlier and corrected in Amendment 2 that we uploaded today, the \$300,000 reported on line 29 of the amendment comprises two transfers to our affiliated, non-federal account. All activities of the non-federal account are subject to IRS reporting.

We hope this letter adequately addresses your questions and concerns. Please do not hesitate to contact me or Gavin Harris. I can be reached by telephone at (202) 822-7401 and Gavin can be reached at 202-822-7255 or by e-mail at gavin.harris@nea.org.

I wish you an enjoyable Thanksgiving holiday.

Respectfully yours,



VJ Krishna
Sr. Business Assurance Associate

Attachments:



For Children & Public Education

The Political Action Committee of the National Education Association
1201 Sixteenth Street, NW, Washington, DC 20036-3290
202-822-7300

November 19, 2002

COPY

Gary L. Calhoun, Treasurer
Jill Long Thompson Committee
PO Box 153
South Bend IN 46624

Dear Mr. Calhoun:

The NEA Fund for Children and Public Education made a contribution to your committee in the amount of \$5,000 on June 25, 2002 for the 2002 Primary, which took place May 7, 2002. We have been notified by the Federal Election Commission (FEC) that our contribution is not in compliance with election law since it took place after the Primary and was not designated for debt retirement.

Since FEC regulations prohibit a contribution from being re-designated after sixty days from the original contribution date, we have no choice but to request a full refund of this contribution in order to bring both our committees into compliance.

We appreciate your cooperation and apologize for any inconvenience this request may cause.

Sincerely yours,

THE NEA FUND FOR CHILDREN AND PUBLIC EDUCATION

Gavin Glenn Harris
PAC Accounting Consultant



For Children & Public Education

The Political Action Committee of the National Education Association
1201 Sixteenth Street, NW, Washington, DC 20036-3290
202-822-7390

November 19, 2002

Andrew J. McCrosson, Jr., Treasurer
LoBiondo for Congress
PO Box 775
Marmora NJ 08223

COPY

Dear Mr. McCrosson:

The NEA Fund for Children and Public Education made a contribution to your committee in the amount of \$1,000 on June 6, 2002 for the 2002 Primary, which took place June 4, 2002. We have been notified by the Federal Election Commission (FEC) that our contribution is not in compliance with election law since it took place after the Primary and was not designated for debt retirement.

Since FEC regulations prohibit a contribution from being re-designated after sixty days from the original contribution date, we have no choice but to request a full refund of this contribution in order to bring both our committees into compliance.

We appreciate your cooperation and apologize for any inconvenience this request may cause.

Sincerely yours,

THE NEA FUND FOR CHILDREN AND PUBLIC EDUCATION

Gavin Glenn Harris
PAC Accounting Consultant

DATE: June 18, 2002

MEMORANDUM

TO: The NEA Fund for Children and Public Education

From: Political Affairs

Please initiate the following action...

☐ Void the attached check

☒ Stop payment to be issued

☐ Refund of disbursement attached

PAYEE Frank LoBiondoCheck # 17256 Dated 6/6/02 Amount \$ 1,000.00CANDIDATE/COMMITTEE NAME LoBiondo For CongressSTATE NYCONGRESSIONAL DISTRICT 2 Federal ☒

SENATE _____ Non-Federal _____

PURPOSE OF ORIGINAL DISBURSEMENT D.C. FundraiserELECTION CYCLE 2002

CALENDAR YEAR _____

REASON FOR ABOVE ACTION Check received after the Primary.

☒ Please reissue (attach new authorization and necessary documentation)

☐ Do not reissue

Dave Rust
Authorized Signature

To be completed by The NEA Fund for Children and Public Education

Above action completed VOID

Explain completed action _____

Date completed _____

Completed by Mr. [Signature] (signature)

DO NOT SEPARATE UNTIL COMPLETED

Check cleared 6/18/02
Unable to execute stop
payment.



For Children & Public Education

The Political Action Committee of the National Education Association
1201 Sixteenth Street, NW, Washington, DC 20036-3290
202-822-7300

November 19, 2002

Anne Hutton, Treasurer
Pascroll for Congress Inc.
63 Quartz Ln
Patterson NJ 07501

COPY

Dear Ms. Hutton:

The NEA Fund for Children and Public Education made a contribution to your committee in the amount of \$500 on June 6, 2002 for the 2002 Primary, which took place June 4, 2002. We have been notified by the Federal Election Commission (FEC) that our contribution is not in compliance with election law since it took place after the Primary and was not designated for debt retirement.

Since FEC regulations prohibit a contribution from being re-designated after sixty days from the original contribution date, we have no choice but to request a full refund of this contribution in order to bring both our committees into compliance.

We appreciate your cooperation and apologize for any inconvenience this request may cause.

Sincerely yours,

THE NEA FUND FOR CHILDREN AND PUBLIC EDUCATION

Gavin Glenn Harris
PAC Accounting Consultant



For Children & Public Education

The Political Action Committee of the National Education Association
 1201 Sixteenth Street, NW, Washington, DC 20036-3090
 202-822-7360

November 19, 2002

Bart Mongelli, Treasurer
 Steve Rothman for Congress
 PO Box 714
 Hackensack NJ 07602

COPY

Dear Mr. Mongelli:

The NEA Fund for Children and Public Education made a contribution to your committee in the amount of \$500 on June 19, 2002 for the 2002 Primary, which took place June 4, 2002. We have been notified by the Federal Election Commission (FEC) that our contribution is not in compliance with election law since it took place after the Primary and was not designated for debt retirement.

Since FEC regulations prohibit a contribution from being re-designated after sixty days from the original contribution date, we have no choice but to request a full refund of this contribution in order to bring both our committees into compliance.

We appreciate your cooperation and apologize for any inconvenience this request may cause.

Sincerely yours,

THE NEA FUND FOR CHILDREN AND PUBLIC EDUCATION

Gavin Glenn Harris
 PAC Accounting Consultant

Federal Election Commission

ENVELOPE REPLACEMENT PAGE FOR INCOMING DOCUMENTS

The Commission has added this page to the end of this filing to indicate how it was received.



Hand Delivered

Date of Receipt

11/27/02

POSTMARKED



First Class Mail



Registered/Certified Mail

POSTMARKED (R/C)



No Postmark



Postmark Illegible



Received from the House office of Records and Registration

Date of Receipt



Received from the Senate Office of Public Records

Date of Receipt



Other (Specify):

Postmarked

and/or Date of Receipt



Electronic Filing



PREPARER

11/27/02

DATE PREPARED